



# DIGEST SUPPLEMENT

To Legislative Digest and History of Bills  
**Supplement No. 51\***

FIFTY-SEVENTH LEGISLATURE

Thursday, March 29, 2001

81st Day - 2001 Regular

## SENATE

SB 5374	SB 6159
SB 5434-S	SB 6160
SB 5469-S2	SB 6161
SB 5514-S2	SB 6162
SB 5540-S2	SB 6163
SB 5872	SB 6164
SB 5894-S	SB 6165
SB 6152	SB 6166
SB 6153	SB 6167
SB 6154	SB 6168
SB 6155	SB 6169
SB 6156	SB 6170
SB 6157	
SB 6158	

## HOUSE

HB 1625-S  
HB 2227

## LIST OF BILLS IN DIGEST SUPPLEMENTS

See separate publication in Bill Room for List of Bills for Supplements 1 through 46

## SENATE

SB 5024-S	Supp. 49
SB 5051	Supp. 49
SB 5058	Supp. 49
SB 5078-S	Supp. 48
SB 5113-S	Supp. 49
SB 5170-S2	Supp. 50
SB 5237-S	Supp. 49
SB 5238-S	Supp. 49
SB 5264-S	Supp. 49
SB 5299	Supp. 50
SB 5326-S	Supp. 48
SB 5327-S	Supp. 48
SB 5336-S	Supp. 50
SB 5364-S	Supp. 50
SB 5570	Supp. 50
SB 5576-S2	Supp. 49
SB 5598-S	Supp. 50
SB 5606-S	Supp. 50
SB 5674-S	Supp. 50
SB 5703-S	Supp. 50
SB 5835	Supp. 50
SB 5947-S2	Supp. 50
SB 6008-S	Supp. 50
SB 6034-S	Supp. 50
SB 6150	Supp. 47
SB 6151	Supp. 50

## HOUSE

HB 1012	Supp. 47
HB 1092	Supp. 47
HB 1180-S2	Supp. 49
HB 1286-S	Supp. 48
HB 1370-S	Supp. 48
HB 1418-S	Supp. 47
HB 1420-S	Supp. 47
HB 1606	Supp. 47
HB 1655-S	Supp. 48
HB 1728-S2	Supp. 47
HB 1745	Supp. 48
HB 1785-S	Supp. 47
HB 1864	Supp. 48
HB 1936	Supp. 49
HB 1953-S	Supp. 47
HB 1997-S	Supp. 49
HB 2005	Supp. 47
HB 2137-S	Supp. 49
HB 2172-S	Supp. 49
HB 2224	Supp. 47
HB 2225	Supp. 47
HB 2226	Supp. 47
HJM 4014	Supp. 47
HJR 4218	Supp. 47
HCR 4410	Supp. 49

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### House Bills

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**HB 1625-S** by House Committee on Capital Budget  
(originally sponsored by Representatives  
Esser, McIntire, Alexander and Murray; by request of  
Office of Financial Management)

Providing for supplemental capital budget appropriations.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Provides for supplemental capital budget  
appropriations.

**-- 2001 REGULAR SESSION --**

Mar 26 CB - Majority; 1st substitute bill be  
substituted, do pass.

Mar 28 Rules suspended.  
Placed on second reading.

**HB 2227** by Representatives Ahern, Gombosky,  
Schoesler, Wood, Benson, Haigh,  
Schindler, Conway, Cox, Reardon, D. Schmidt and Talcott;  
by request of Department of Veterans Affairs

Establishing the eastern Washington veterans' home.

Declares that there shall be established and maintained  
in this state a branch of the state soldiers' home, under the  
name of the "eastern Washington veterans' home," which  
branch shall be a home for veterans and their spouses who  
meet admission requirements contained in RCW 72.36.030.

**-- 2001 REGULAR SESSION --**

Mar 28 Held on first reading.

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### Senate Bills

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**SB 5374** by Senators Constantine, Winsley,  
Prentice and McCaslin

Imposing criminal penalties and sanctions for the  
unauthorized sale of baby food, infant formula, cosmetics,  
personal care products, nonprescription drugs, or medical  
devices. (REVISED FOR ENGROSSED: Imposing  
criminal penalties and sanctions for the unauthorized sale of  
baby food, infant formula, cosmetics, nonprescription  
drugs, or medical devices.)

(AS OF SENATE 2ND READING 3/09/01)

Provides that no unused property merchant shall offer  
at an unused property market for sale or knowingly permit  
the sale of baby food, infant formula, cosmetics,  
nonprescription drugs, or medical devices. This section

does not apply to a person who keeps available for public  
inspection a written authorization identifying that person as  
an authorized representative of the manufacturer or  
distributor of such product, as long as the authorization is  
not false, fraudulent, or fraudulently obtained.

Declares that: (1) A first violation of this chapter is a  
misdemeanor;

(2) A second violation of this chapter within five years  
is a gross misdemeanor;

(3) A third or subsequent violation of this chapter  
within five years is a class C felony.

**-- 2001 REGULAR SESSION --**

Jan 19 First reading, referred to Labor,  
Commerce & Financial  
Institutions.

Feb 21 LCF - Majority; do pass.  
Minority; do not pass.  
Passed to Rules Committee for second  
reading.

Mar 5 Made eligible to be placed on second  
reading.

Mar 6 Placed on second reading by Rules  
Committee.

Mar 9 Floor amendment(s) adopted.  
Rules suspended. Placed on Third  
Reading.  
Third reading, passed: yeas, 32; nays,  
17; absent, 0.

**- IN THE HOUSE -**

Mar 14 First reading, referred to Commerce &  
Labor.

**SB 5434-S** by Senate Committee on Transportation  
(originally sponsored by Senators Oke and  
Haugen; by request of Department of Licensing)

Removing the photo requirement for special identification  
cards for persons issued disabled parking permits.

(AS OF SENATE 2ND READING 3/12/01)

Deletes the photo requirement for special  
identification cards for persons issued disabled parking  
permits.

**-- 2001 REGULAR SESSION --**

Feb 21 TRAN - Majority; 1st substitute bill be  
substituted, do pass.  
Minority; do not pass.  
Passed to Rules Committee for second  
reading.

Mar 5 Made eligible to be placed on second  
reading.

Mar 8 Placed on second reading by Rules  
Committee.

Mar 12 1st substitute bill substituted.  
Floor amendment(s) adopted.  
Rules suspended. Placed on Third  
Reading.

Third reading, passed: yeas, 48; nays, 0; absent, 1.

**- IN THE HOUSE -**

Mar 15 First reading, referred to Transportation.

**SB 5469-S2** by Senate Committee on Ways & Means (originally sponsored by Senators T. Sheldon, Rasmussen, Haugen and McCaslin)

Changing provisions for tax deferrals in rural counties and community empowerment zones.

(DIGEST OF PROPOSED 2ND SUBSTITUTE)

Revises provisions for tax deferrals in rural counties and community empowerment zones.

**-- 2001 REGULAR SESSION --**

Mar 27 WM - Majority; 2nd substitute bill be substituted, do pass.

Minority; do not pass.

Mar 28 Passed to Rules Committee for second reading.

**SB 5514-S2** by Senate Committee on Ways & Means (originally sponsored by Senators Spanel, Carlson, Hale, Gardner, Rasmussen, Winsley, Regala, Costa and Fraser)

Revising public facility district provisions.

(DIGEST OF PROPOSED 2ND SUBSTITUTE)

Revises public facility district provisions.

Provides that the legislative authority of any town or city, or any contiguous group of towns or cities, located in a county with a population of less than one million and the legislative authority of the county or counties in which the towns or cities are located may enter into an agreement under chapter 39.34 RCW for the creation and joint operation of a public facilities district.

Requires that a public facilities district created by an agreement between a town or city, or a contiguous group of towns or cities, and the county in which they are located shall be coextensive with the boundaries of the towns or cities, and the boundaries of the county or counties as to the unincorporated areas of the county or counties. The boundaries shall not include incorporated towns or cities that are not parties to the agreement for the creation and joint operation of the district.

Provides that a public facilities district created under RCW 36.100.010 and a public facilities district created under RCW 35.57.010 located in the same county may enter into agreements under chapter 39.34 RCW to jointly acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate one or more regional centers.

Declares that the governing body of a public facilities district created under chapter 35.57 or 36.100 RCW that commences construction of a new regional center, or improvement or rehabilitation of an existing new regional

center, before January 1, 2003, or of a public facility district that contains a city with a population greater than fifty thousand before January 1, 2004, may impose a sales and use tax in accordance with the terms of chapter 82.14 RCW.

Provides that a public facilities district that will construct a regional center may apply for an exemption in the form of a remittance of fifty percent of the taxes paid under chapters 82.08, 82.12, and 82.14 RCW on design, site preparation, construction of buildings or other structures, and acquisition of related machinery and equipment, for the regional center.

**-- 2001 REGULAR SESSION --**

Mar 27 WM - Majority; 2nd substitute bill be substituted, do pass.

Mar 28 Passed to Rules Committee for second reading.

**SB 5540-S2** by Senate Committee on Ways & Means (originally sponsored by Senators Franklin, Eide, Regala, Fraser, Costa, Rasmussen, Patterson, Kline, Kohl-Welles, Winsley and Gardner; by request of Governor Locke)

Authorizing public utility tax credits for home energy assistance programs for low-income households.

(DIGEST OF PROPOSED 2ND SUBSTITUTE)

Authorizes public utility tax credits for home energy assistance programs for low-income households.

Provides that a light and power business or a gas distribution business may take a credit each fiscal year against the tax imposed under chapter 82.16 RCW for qualifying contributions and for billing discounts that are equal to or greater than one hundred twenty-five percent of the billing discounts given in fiscal year 2000.

Declares that the total amount of credit, statewide, that may be taken in any fiscal year shall not exceed one million five hundred thousand dollars. By May 1st of each year starting in 2002, the department of community, trade, and economic development shall notify the department of revenue in writing of the grants received in the current fiscal year by each light and power business and gas distribution business.

**-- 2001 REGULAR SESSION --**

Mar 27 WM - Majority; 2nd substitute bill be substituted, do pass.

Mar 28 Passed to Rules Committee for second reading.

**SB 5872** by Senators Prentice, Kohl-Welles, Kline and Fairley

Modifying the multiple-unit property tax exemption.

(AS OF SENATE 2ND READING 3/12/01)

Revises the multiple-unit property tax exemption.

Provides that, when a governing authority adopts guidelines pursuant to RCW 84.14.030(2) and the qualifying dwelling units are condominiums or townhouses, the exemption may, at the local governing authority's discretion, be limited to those dwelling units that meet the local low-income or moderate-income occupancy requirements.

**-- 2001 REGULAR SESSION --**

Feb 6 First reading, referred to Labor, Commerce & Financial Institutions.  
 Feb 27 LCF - Majority; do pass.  
 Minority; do not pass.  
 Passed to Rules Committee for second reading.  
 Mar 6 Made eligible to be placed on second reading.  
 Mar 8 Placed on second reading by Rules Committee.  
 Mar 12 Floor amendment(s) adopted.  
 Rules suspended. Placed on Third Reading.  
 Third reading, passed: yeas, 49; nays, 0; absent, 0.

**- IN THE HOUSE -**

Mar 15 First reading, referred to Finance.

**SB 5894-S** by Senate Committee on Ways & Means  
 (originally sponsored by Senators Patterson and Rossi)

Modifying the taxation of lodging.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Amends RCW 82.04.050, 67.28.180, 67.40.090, and 36.100.040 to modify the taxation of lodging.

**-- 2001 REGULAR SESSION --**

Mar 27 WM - Majority; 1st substitute bill be substituted, do pass.  
 Mar 28 Passed to Rules Committee for second reading.

**SB 6152** by Senator Prentice

Creating an open primary with a public declaration of party affiliation.

Provides that, for the primary, a ballot will be created for each major political party containing only that major political party's candidates for partisan office, including candidates for precinct committee officer under RCW 29.42.040. In addition, a separate ballot containing minor party candidates and independent candidates for partisan office will be created.

Provides that, for the primary, all major political party ballots and the minor party and independent candidate ballot

will contain the names of all candidates for nonpartisan office and any ballot measures that have been properly certified for the ballot.

Authorizes each major political party to require that the secretary of state adopt rules to provide for any declaration of party affiliation required by that party.

Directs the secretary of state to adopt rules in accordance with this title and chapter 34.05 RCW to provide for any declaration required by a major political party and to provide for uniformity in primary ballot preparation and the recording of voter party affiliation.

Provides that, at least forty-eight hours before the certification of election results, each precinct list detailing the party ballot that each voter selected must be sent by electronic facsimile to the state chair of each major political party.

Repeals RCW 29.18.200.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to State & Local Government.

**SB 6153** by Senator Brown

Relating to fiscal matters.

Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6154** by Senator Brown

Relating to fiscal matters.

Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6155** by Senator Brown

Relating to state government.

Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6156** by Senator Brown

Relating to state government.

Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6157** by Senator Brown

Relating to human services.  
Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6158** by Senator Brown

Relating to human services.  
Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6159** by Senator Brown

Relating to natural resources.  
Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6160** by Senator Brown

Relating to natural resources.  
Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6161** by Senator Brown

Relating to education.  
Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6162** by Senator Brown

Relating to education.  
Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6163** by Senators Brown and Kohl-Welles

Relating to higher education.  
Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6164** by Senators Brown and Kohl-Welles

Relating to higher education.  
Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6165** by Senator Brown

Relating to revenue.  
Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6166** by Senators Brown, Snyder, Long, Fraser, Rossi, Constantine, Spanel, B. Sheldon and Carlson

Restating plan 1 of the law enforcement officers' and fire fighters' retirement system.

Finds that plan 1 of the Washington law enforcement officers' and fire fighters' retirement system (LEOFF plan 1) has been closed to new members for nearly a quarter of a century. During that time, LEOFF plan 1 has achieved full funding and has assets which exceed all projected future liabilities and has a surplus approaching one billion dollars. In recognition of the contributions of working fire fighters and police officers to LEOFF plan 1, it is the purpose of this act, in part, to provide for an enhanced retirement benefit to LEOFF plan 1 members which is managed and developed by the fire fighters and police officers themselves.

Declares that LEOFF plan 1 also provides substantial postretirement health and long-term care benefits. The financial burden of this benefit, which is an integral part of LEOFF plan 1, falls exclusively on the cities, counties, and fire districts that employed the retired fire fighters and police officers. In recognition of the fiscal burdens facing these political subdivisions, it is appropriate to provide an additional source of funding to ensure the integrity of the benefit without undermining the financial stability of the employing governments.

Finds that the supreme court of the state of Washington, in the 1956 decision *Bakenhus v. City of Seattle*, established that the fire fighters and police officers, active and retired, have a constitutionally protected contractual right to a secure retirement benefit, funded on a sound actuarial basis. While members have a constitutionally protected right to the pension benefits that are provided as part of their contract of employment, there is no such right in surplus assets which are unnecessary to the actuarial soundness of the retirement plan.

Declares that the state retains the inherent power to terminate a retirement plan and, upon the dedication of sufficient resources to ensure the actuarial soundness of the benefits promised, is entitled to a reversion of the surplus assets upon termination of the plan.

Finds that, in order to accomplish the foregoing goals and objectives, it is in the best interest of the members and beneficiaries of LEOFF plan 1 that the plan be terminated and that a restated retirement plan with enhanced benefits be created. It is further determined to be in the best interest of the health, safety, and welfare of the citizens of the state that surplus assets remaining after adequate actuarial provision for the obligated retirement benefits revert to the state and be allocated for the purposes outlined in this chapter.

Declares an intent that the LEOFF plan 1 termination be performed in accordance with the applicable provisions of the federal internal revenue code and in recognition of the contract rights of the members and beneficiaries of the plan to an actuarially sound retirement program.

Reserves the right to make such amendments and modifications as may be necessary in the future to accomplish the goals of this section, without any diminution of the rights and benefits of the beneficiaries as they existed prior to July 1, 2001.

Repeals provisions of chapter 41.26 RCW.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6167** by Senators Brown, Snyder, Spanel and B. Sheldon

Ensuring sound actuarial funding of the state retirement systems.

Finds that the funding status of the state retirement systems has improved dramatically since 1989. Because of the big reduction in unfunded pension liabilities, it is now prudent to adjust the long-term economic assumptions that are used in the actuarial studies conducted by the state actuary.

Finds that it is reasonable to increase the salary growth assumption in light of Initiative Measure No. 732, to increase the investment return assumption in light of the asset allocation policies and historical returns of the state investment board, and to reestablish June 30, 2024, as the target date to achieve full funding of all liabilities in the public employees' retirement system plan 1 and the teachers' retirement system plan 1.

Declares that the funding process established by chapter 41.45 RCW is intended to include the following goal: To ensure the actuarial funding of the restated law enforcement officers' and fire fighters' retirement system defined benefit plan, and provide for additional state funding if unfunded liabilities accrue in the future.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6168** by Senator Brown

Relating to revenue.

Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6169** by Senator Brown

Relating to retirement from public service.

Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.

**SB 6170** by Senator Brown

Relating to retirement from public service.

Introduced by title and introductory section only.

**-- 2001 REGULAR SESSION --**

Mar 28 First reading, referred to Ways & Means.